

## **FISCAL NOTE**

### **SB 3623 - HB 3616**

March 22, 2006

**SUMMARY OF BILL:** Requires the Department of Agriculture to establish a short-term, no-interest loan program for qualified applicants as a production incentive to build production plants for creating biodiesel products. No loan shall exceed \$2 million for a processing plant to produce crude fuel oil or \$5 million for a refinery to produce fuel-grade oil. No more than six loans may be outstanding at one time, of which no more than two loans shall be made in any one grand division of the state at any one time.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$118,000 Recurring  
\$30,000,000 One-Time**

##### Assumptions:

- An appropriation by the General Assembly in the amount of \$30,000,000 in order to provide the funds for a total of six loans for \$5,000,000 each.
- The Department of Agriculture would require two additional staff positions to administer the program.
- The recurring expenditures reflect the salary and benefits for two positions, training, travel and other related costs.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director